

PUBLIC SERVICE COMMISSION

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July 31, 2018

MEMORANDUM

TO: Members of the Commission

FROM: Pamela Knotts, Regulatory Policy Administrator

SUBJECT: CONSULTANT SERVICES FOR SOS MONITORING

A Request for Proposal (RFP) for technical monitoring consulting services for the 2019 and 2020 Standard Offer Service (SOS) procurement cycles¹ in Delaware was issued by Delmarva Power.² Proposals were received from two consulting firms. The two bids ranged in price from \$56,990 to \$99,490.³ The bid amounts stated are for two bid days and all bids include an estimate for travel and miscellaneous expenses.

Liberty Consulting Group (Liberty) is the current Commission-approved SOS monitor and has performed this function satisfactorily for the last six Delmarva Power & Light SOS cycles. Both of the consulting firms offering a bid have auction monitoring experience.

Both firms submitted plans that were consistent with the scope of work requested in the RFP.⁴ The bid by Liberty, however, was the lowest. Commission Staff has worked with Liberty on other dockets and found that the company performed in a more than a satisfactory manner. Their work is done in a timely manner with little editing required. At times they have performed additional tasks over and above what was required on the scope of work.

Staff recommends the retention of Liberty Consulting Group, Inc. as the SOS technical monitoring consultant for the 2019 and 2020 SOS procurement cycles¹ with a bid offer "not to exceed" \$56,990.

¹ Two year contract will run from fall 2018 until spring of 2020.

² In May 2018 the Commission approved Staff's recommendation for a two year contract for their technical monitoring consultant with a one year option to renew.

³ The bid for \$99,490 had a not-to-exceed cap of \$125,000 allowing for unforeseen additional tasks and a potential third tranche.

⁴ The higher bidder did request multiple exceptions to the stated Terms and Conditions of the RFP.